Self-Assessment of the U.S. Patent and Trademark Office Using The Baldrige Criteria for Performance Excellence

August 1999

Agenda

Welcome and Overview Mary Lee

Major Findings by Category

Leadership Dave Moore

Strategic Planning Holly Higgins

Customer and Market Focus Randy Myers

Information and Analysis John Terapane

Human Resource Focus Marc Liepzig

Process Management Peggy Focarino

Business Results Tresea Woody

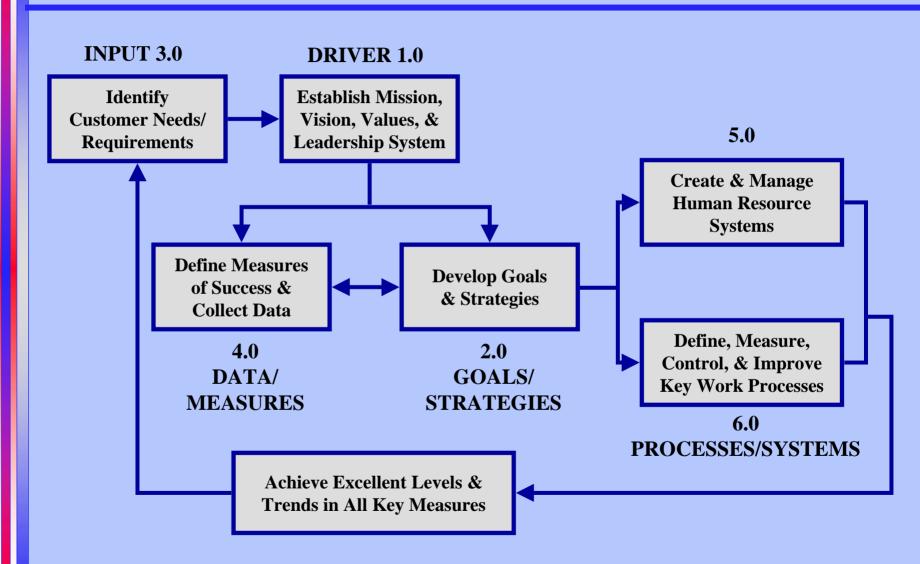
Vital Few and Scoring Brian Usliner

Next Steps Mary Lee

What are the Criteria?

- Set of expectations or requirements
- Structured approach to performance improvement
- Framework for a systems view of performance management
- Set of core values
- Common language
- Review of organizational processes and systems (not "Offices")

Baldrige Criteria as a System



Objectives of Self-Assessment Using the Baldrige Criteria

- Determine how well PTO is currently performing against criteria for high performing organizations
- Provide a comprehensive framework for evaluating performance and performance plans (GPRA requirement)
- Identify and prioritize action plans needed to enhance performance
- Determine how well all parts of the organization are working together to achieve strategic objectives

Objectives of Self-Assessment Using the Baldrige Criteria (continued)

- Help to align the many initiatives and processes to improve overall organizational performance and customer satisfaction
- Facilitate communication and sharing of best practices information among organizations
- Serve as a working tool for understanding and managing performance, planning, and continuous learning

Methodology

I. When: June through August 1999

II. Participants:

- <u>Self-Assessment Team</u>: Composed of members of the Quality Council and PTO Maxwell School participants
- Oversight: The Office of Quality Management
- <u>Facilitators</u>: Brian Usilaner and Dick O'Brien experienced Quality Award Examiners

Methodology (continued)

III. Key Steps:

- 1. Training Session on the Use of the Baldrige Criteria (3 days)
- 2. Planning Session for Conducting the Self-Assessment (2 days)
 - Divide into Category Teams
 - Identify key data and information needed
 - Coordinate across Category Teams
- 3. Data and Information Collection (4 weeks)
 - Review pertinent materials
 - Interview key officials and employees throughout the Agency
 - Follow-up interviews to clarify key points
 - Review Key Performance and Results Measures from all Business Units

Methodology (continued)

III. Key Steps: (continued)

- **4.** Category Teams Identify Major Strengths and Opportunities for Improvement
- 5. Category Teams Present Findings to All Team Members (2 days)
 - Discussion
 - Changes
- 6. Key Strengths and Opportunities for Improvement Finalized (1/2 day)
 - Changes
 - Prepare Final Report

Major Findings by Category

- Strengths
- Opportunities for Improvement

Leadership Team

Jacqueline Dees

Esther Kepplinger

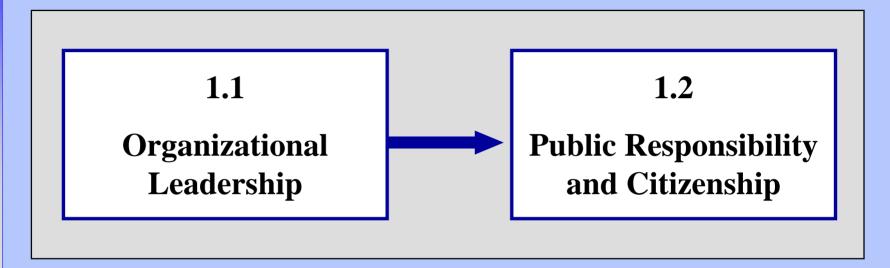
Stu Levy

Sharon Marsh

Kay Melvin

David Moore

Leadership



- Values and Expectations
- Empowerment and Innovation
- Set Direction
- Performance Review
- Findings and Improvement

- Regulatory, Legal, Ethical Responsibilities
- Support of Key Communities

Leadership Strengths

- Providing leadership through the Executive Committee by setting direction, seeking future opportunities, receiving feedback, and developing policies and strategies
- Addressing societal impacts of products and services by fostering open communication channels with supporters and critics, bringing supporters and critics into decision-making process
- Supporting the intellectual property community by taking proactive roles in international discussions

Leadership Opportunities for Improvement

- Developing a systematic, consistent, and regular process for deploying organizational values and information to all employees; developing a systematic customer and stakeholder information feedback mechanism
- Developing a systematic, integrated, agency-wide approach to creating, submitting, monitoring, and deploying action plans for improvements required to accomplish PTO performance goals
- Developing a strategy for establishing and reinforcing a culture that encourages risk-taking and spurs innovation

Strategic Planning Team

Amelia Au

Joe Dixon

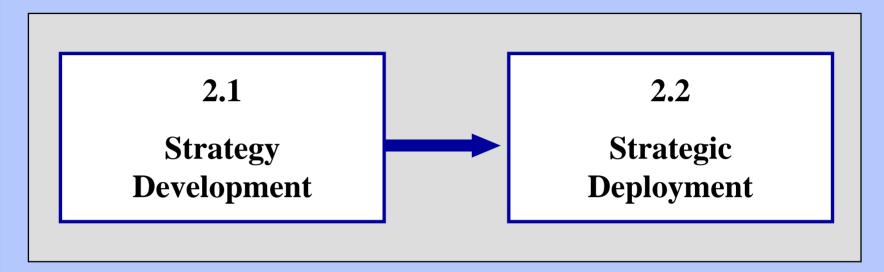
Gary Harkcom

Holly Higgins

Mike Razavi

Deanna Shepherd

Strategic Planning



- Strategy Development
- Strategic Objectives and Timetable

- Action Plans and Measures
- Human Resource Plans
- Performance Projections

Strategic Planning Strengths

- Effective strategic planning is occurring in most of the major business units in the PTO
- Linking operational initiatives from the major business units to High Impact Agency goals and integrating them into the PTO's overall strategic initiatives; linking strategic and operational plans with budget plans through the development of the Corporate plan

Strategic Planning Opportunities for Improvement

- Institutionalizing an overall PTO strategic planning process that provides the framework and priorities for major business units' strategic plans
- Developing a mechanism to communicate overall PTO strategic goals and objectives to employees at all levels; providing two-way communication to continuously improve the PTO's strategy deployment

Customer and Market Focus Team

Marianne Cintins

Cherie Kazenske

Randy Myers

Ted Parr

Kristin Vajs

Customer and Market Focus

3.1
Customer and
Market Knowledge

Customer Satisfaction
and Relationships

- Customer Groups and Market Segments
- Listening and Learning Strategies
- Important Product and Service Features
- Keep Current with Business Needs and Directions

- Accessibility and Complaint Management
- Building Relationships
- Customer Satisfaction Determination
- Competitive Performance

Customer and Market Focus Strengths

- Identifying changing technology market segments and aligning staffs and budgets for effective response
- Systematically measuring overall customer satisfaction and determining customer requirements
- Providing direct assistance to customers through a variety of help desk systems

Customer and Market Focus Opportunities for Improvement

- Developing an integrated approach to building customer relationships across PTO by sharing customer information and best practices among the business units
- Developing a systematic integrated customer complaint process so complaints are recorded, responded to in a timely manner, analyzed and shared among business units
- Structuring the customer satisfaction surveys so that information can be collected on all individual organizations

Information and Analysis Team

Audrey Britt
Gary Jones
Marian Knode
Valerie Richardson
John Terapane

Information and Analysis

4.1

Measurement of Organizational Performance

4.2

Analysis of Organizational Performance

- Selection and Integration of Measures/Indices
- Comparative Data and Information
- Reliability
- Keep Current with Changing Needs

- Senior Executives' Reviews and Planning
- Functional-Level Decisions
- Daily Operations

Information and Analysis Strengths

- Collecting extensive objective data and information on the processing of patents and trademarks
- Sharing information with employees and customers through a variety of means; providing information on a periodic basis to managers and supervisors for prioritizing initiatives and making improvement decisions

Information and Analysis Opportunities for Improvement

- Integrating the broad variety of measurement data so that meaningful analyses may be made of the relationships among product/service quality, operational performance, financial performance, and customer/employee satisfaction and ensuring reliability of data
- Developing an agency-wide uniform approach to evaluating organizational performance

Human Resource Focus Team

Sharon Gibson

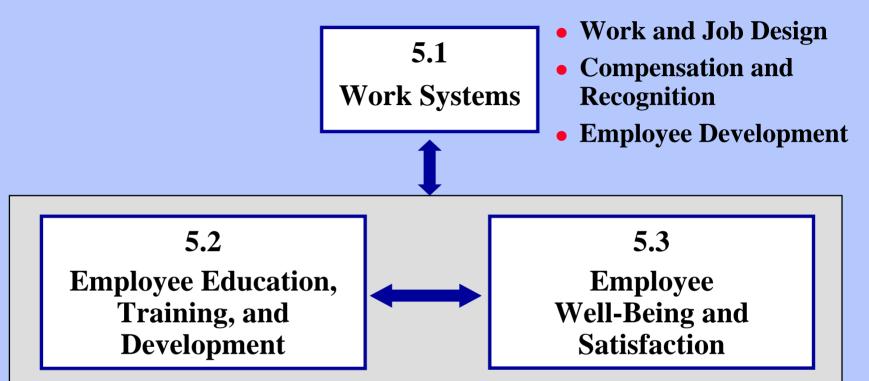
Joan Griffey

Marc Leipzig

Tonya Phillips

Jackie Stone

Human Resource Focus



- Key Needs—Short and Long Term
- Design of Education and Training
- Delivery and Reinforcement

- Safe Work Environment
- Support and Motivation
- Satisfaction Determination
- Relationship to Improvement Priorities

Human Resource Focus Strengths

- Providing a development path for patent examiners and trademark attorneys to full signatory authority with associated skill acquisition
- Implementing a decentralized approach to training, allowing business units to design and deliver training responsive to their needs
- Creating an extensive employee support climate with numerous programs and benefits to enhance employee well-being

Human Resource Focus Opportunities for Improvement

- Aligning employee performance requirements among the different employee groups with the performance requirements and business goals of PTO
- Evaluating the impact of training programs on organizational performance and aligning individual development needs with organizational needs
- Using the employee survey as a means to drive change and improve organizational performance and employee satisfaction levels through a structured feedback and action planning process

Process Management Team

Bo Bounkong

Peggy Focarino

Bruce Kisliuk

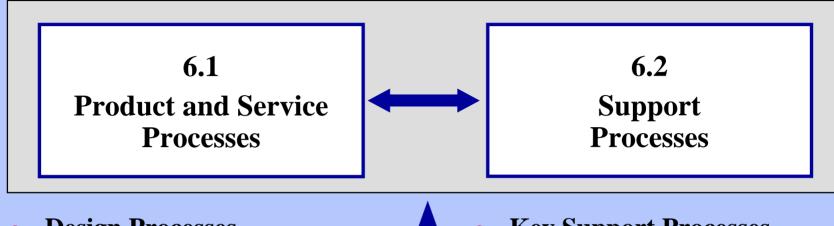
John Kittle

Safet Metjahic

Mukund Shah

Jackie White

Process Management



- Design Processes
- Production/Delivery Processes
- Evaluation and Improvement

- Key Support Processes
- Key Requirements and Measures
- Evaluation and Improvement
- 6.3
 Supplier and
 Partnering
 Processes
- Key Products/Services
- Requirements and Measures
- Evaluation and Improvements

Process Management Strengths

- Providing a broad variety of means to obtain customer input on products, processes, and service changes and design
- Using a multitude of in-process measures for cycle-time, productivity and quality performance, including broad business goals and specific in-process leading indicator measures

Process Management Opportunities for Improvement

- Developing a coordinated PTO effort to retain employees so that PTO is able to provide high quality products and services
- Deploying a systematic approach to the continuous improvement of key processes throughout PTO, including the extensive use of benchmarking and comparative analysis

Business Results Team

Norma Jo Greenlee Tresea Woody

Business Results

- This Category covers current levels and improvement trends for:
 - → Customer satisfaction and dissatisfaction by customer segments
 - → Product and service quality by appropriate segments
 - **→** Financial performance
 - **→** Human resource performance by employee types
 - → Supplier and partner performance
 - → Operational performance including key support functions

Business Results What does the data tell us?

- Patent and Trademark overall customer satisfaction levels have remained in the 50-60% range for the past four years with key driver data showing some improvement
- Financial results indicate a healthy organization
- Employee overall satisfaction levels have remained in the 30-40% range over the last four years
- Patent and Trademark employee productivity continues to increase
- Patent and Trademark cycle times are on the rise

Business Results General Observations

- Key processes are measured using a balanced family of measures
- PTO has begun to track progress and monitor trends
- Little comparative data exists
- More emphasis should be placed on root cause analysis
- PTO needs to develop a common language for measurement



The "Vital Few"

- Institutionalize the overall PTO strategic planning process
- Develop an integrated customer complaint process
- Integrate the broad variety of measurement data to conduct comprehensive cause/effect analyses
- Align employee performance requirements with PTO business goals
- Develop a comprehensive feedback and action planning process for employee survey results
- Deploy a systematic approach for the continuous improvement of key PTO processes including benchmarking and comparative analysis



Developing the Score

- Scored by the Westat consultants using their experience
- Based on independent review of self-assessment results and use of the Baldrige Scoring Guidelines
- No formal written application used

1998 Distribution of Written Scores for Award Applicants

BAND	% OF APPLICANTS <u>IN BAND</u>
0-250	3
251-350	22
351-450	33
451-550	17
551-650	22
651-750	3
751-875	0
876-1000	0

(Results of Stage One scoring. There is no rescoring of applicants after site visit.)

U.S. Patent and Trademark Office

Score Summary Worksheet

Sum	mary of Criteria Items	Total Possible <u>Points</u>	Percent <u>Score</u>	<u>Score</u>
1.	Leadership			
1.1	Organizational Leadership	90	50%	45.0
1.2	Public Response	35	60%	21.0
2.	Strategic Planning			
2.1	Strategy Development	45	50%	22.5
2.2	Strategy Deployment	50	40%	20.0
3.	Customer Focus			
3.1	Customer and Market Knowledge	45	50%	22.5
3.2	Customer Satisfaction and Relationship	os 50	60%	30.0
4.	Information and Analysis			
4.1	Measurement of Performance	45	40%	18.0
4.2	Analysis of Performance	50	30%	15.0

Score Summary Worksheet (continued)

<u>Sum</u>	mary of Criteria Items	Total Possible Points	Percent <u>Score</u>	<u>Score</u>
5.	Human Resource Focus			
5.1	Work Systems	35	40%	14.0
5.2	Employee Training	30	50%	15.0
5.3	Employee Well-Being and Satisfaction	30	40%	12.0
6.	Process Management			
6.1	Product/Service Processes	50	50%	25.0
6.2	Support Processes	20	40%	8.0
6.3	Supplier Processes	25	40%	10.0
7.	Business Results			
7.1	Customer Results	125	30%	37.5
7.2	Financial Results	50	50%	25.0
7.3	Human Resource Results	75	30%	22.5
7.4	Supplier Results	75	20%	15.0
7.5	Organizational Effectiveness Results	75	40%	30.0
			Total	408.0

Baldrige Scoring Band Description

Band Description

351-450

Agency demonstrates a systematic approach responsive to the basic purposes of most items, but deployment in some key areas is still too early to demonstrate results. Early improvement trends in areas of importance to key organizational requirements are demonstrated.